

# CITY of LAKE FOREST



Operating Budget

Excerpts

Fiscal Year 2010-2011

# OPERATING BUDGET FISCAL YEAR 2010-11

## Elected Officials

Peter Herzog, Mayor  
Richard T. Dixon, Mayor Pro Tem  
Kathryn McCullough, Council Member  
Marcia Rudolph, Council Member  
Mark Tettemer, Council Member

### Planning Commission

Tim Hughes, Chair  
Jerry Zechmeister, Vice Chair  
Terry Anderson, Commissioner  
David Carter, Commissioner  
Jerry Verplancke, Commissioner

### Parks and Recreation Commission

Amanda Morrell, Chair  
Steve Manning, Vice Chair  
Loretta Herrin, Commissioner  
John Irish, Commissioner  
James Rosenberg, Commissioner

## City Staff

Robert C. Dunek, City Manager  
  
Gayle Ackerman, Director of Development Services  
Elizabeth E. Andrew, Director of Finance/City Treasurer  
David Belmer, Assistant City Manager/  
Deputy Executive Director of Redevelopment  
Mike Boyle, Division Chief - Fire Services  
Lieutenant Doug Doyle, Chief of Police Services  
Gary Magill, Director of Community Services  
Debra Rose, Deputy City Manager/  
Director of Management Services  
Benjamin Siegel, Assistant to the City Manager  
Scott C. Smith, City Attorney  
Robert L. Woodings, Director of Public Works/City Engineer

# SUMMARY of REVENUES, EXPENDITURES, TRANSFERS, and FUND BALANCES

	Available Fund Balances July 1, 2010	Revenues	Use of Excess Fund Balance	Expenditures		Revenues less Expenditures	Transfers/ Loans <sup>1</sup>	Available Fund Balances June 30, 2011
				Operating	Capital	Total		
General Fund	\$32,894,263	\$30,040,600	\$708,200	\$30,748,800		\$30,748,800	\$0 (\$19,885,800)	\$13,008,463
Special Revenue Funds:								
Gas Tax	343,875	2,014,500		1,793,800		1,793,800	(48,500)	516,075
Measure M	73,100	805,000			900,000	900,000	48,500	26,600
Etnies Skatpark		72,700		368,100		368,100	295,400	0
Air Quality Improvement	642,459	102,000			0	0	(143,000)	601,459
Police Grants		100,000		100,000		100,000	0	0
Asset Forfeitures	11,398	200			0	0	200	11,598
Community Development								
Block Grant	126,138	501,900		278,600	329,400	608,000	(106,100)	20,038
Special Revenue Subtotal	1,196,970	3,596,300		2,540,500	1,229,400	3,769,900	152,400	1,175,770
Debt Service Fund:								
Financing Authority	347			547,100		547,100	547,100	347
Total Operating Budget	34,091,580	33,636,900	708,200	33,836,400	1,229,400	35,065,800	(19,186,300)	14,184,580
Capital Funds:								
Capital Improvement Projects	9,721,432	8,061,000			9,212,000	9,212,000	(1,151,000)	8,713,432
Park Development/Const.	231,943	7,000				0	7,000	238,943
Affordable Housing Capital Projects	51,000	248,000				0	248,000	299,000
Opportunities Study Capital Projects								
					19,139,000	19,139,000	19,139,000	0
Subtotal	10,004,375	8,316,000		0	28,351,000	28,351,000	(20,035,000)	9,251,375
Reserve Funds:								
General (Designated)	3,573,612					0	0	3,573,612
General (Undesignated)	8,182,100					0	(171,200)	8,010,900
Economic Contingency	4,091,100		(708,200)			0	(708,200)	4,005,500
Emergency Services	2,970,000					0	0	2,970,000
Subtotal	18,816,812	0	(708,200)	0	0	0	(708,200)	18,560,012
Internal Service Fund:								
Vehicle Replacement	325,107	77,300		0		0	77,300	402,407
Subtotal All City Funds	63,237,874	42,030,200	0	33,836,400	29,580,400	63,416,800	(21,386,600)	42,398,374
Redevelopment Agency:								
Operating				1,081,200		1,081,200	(1,081,200)	0
Debt Service	4,520,230	4,080,000		1,645,700		1,645,700	(1,628,300)	5,326,230
Low and Moderate Income Housing								
	2,332,104	948,500		511,200		511,200	437,300	2,769,404
	6,852,334	5,028,500		3,238,100	0	3,238,100	1,790,400	8,095,634
Subtotal								
Grand Total All Funds	\$70,090,208	\$47,058,700	\$0	\$37,074,500	\$29,580,400	\$66,654,900	(\$19,596,200)	\$50,494,008

<sup>1</sup> \$708,200 in transfers out in the General Fund and transfers in in the Economic Contingency Fund are for memo purposes only to reflect

# SUMMARY OF FINANCIAL RESERVE FUNDS

## FISCAL YEAR 2010-11

Description	Balance July 1, 2010	Balance June 30, 2011
General (Designated):		
City Loan to Redevelopment Agency	\$1,138,143	\$1,138,143
Potential Redevelopment Agency Projects	1,000,000	1,000,000
Cable Grant - Public Education and Government (PEG)	950,854	950,854
Prepaid Expenditures	484,615	484,615
Total General (Designated)	3,573,612	3,573,612
General (Undesignated) <sup>1</sup>	8,182,100	8,010,900
Economic Contingency <sup>2</sup>	4,091,100	4,005,500
Emergency Services <sup>3</sup>	2,970,000	2,970,000
Total Financial Reserves	\$18,816,812	\$18,560,012

<sup>1</sup> 2/3 of 40% of General Fund revenues per the Reserve Policy

<sup>2</sup> 1/3 of 40% of General Fund revenues per the Reserve Policy

<sup>3</sup> Reduced for programs related to disaster recovery. This reduction required approval by four of the five Council Members.

# CARRYOVER APPROPRIATIONS OVER \$100,000 FISCAL YEAR 2008-09 INTO FISCAL YEAR 2009-10<sup>1</sup>

Description	Fund	Carryover Appropriation
Park Improvements	Capital Improvement Projects	\$4,802,800
Trabuco Road Streetscape	Capital Improvement Projects	2,107,357
Street Repaving and Slurry Seal	Gas Tax Fund	1,119,650
Rockfield Streetscape	Capital Improvement Projects	1,053,043
Americans with Disabilities Act Access Ramps	Capital Improvement Projects	771,203
Street Repaving and Slurry Seal	General Fund	665,083
Watershed Management Projects	Capital Improvement Projects	562,200
El Toro Park Improvements	Community Development	471,087
Heroes Park Snack Bar and Restroom	Capital Improvement Projects	415,845
Play Equipment Replacement	Capital Improvement Projects	397,050
Traffic Signal Preemption	Capital Improvement Projects	343,891
Rue De Fortuna Neighborhood Traffic Improvements	Capital Improvement Projects	300,000
Jeronimo Streetscape	Capital Improvement Projects	295,409
Sports Park	Opportunities Study Capital Improvement Projects	241,949
Civic Center	Opportunities Study Capital Improvement Projects	266,570
New Street Lights - Various Locations	Capital Improvement Projects	263,000
Street Repaving and Slurry Seal - County City Aid Program Grant	Capital Improvement Projects	262,500
Street Repaving and Slurry Seal	Measure M Fund	248,944
Recreation Center	Opportunities Study Capital Improvement Projects	133,679
Building Permit System	General Fund	155,109
Light Industrial Area Zoning Revitalization (Planning Division)	General Fund	155,000
Total Carryover Appropriations Over \$100,000		<u>\$15,031,369</u>
Total Carryover Appropriations		<u>\$15,617,580</u>

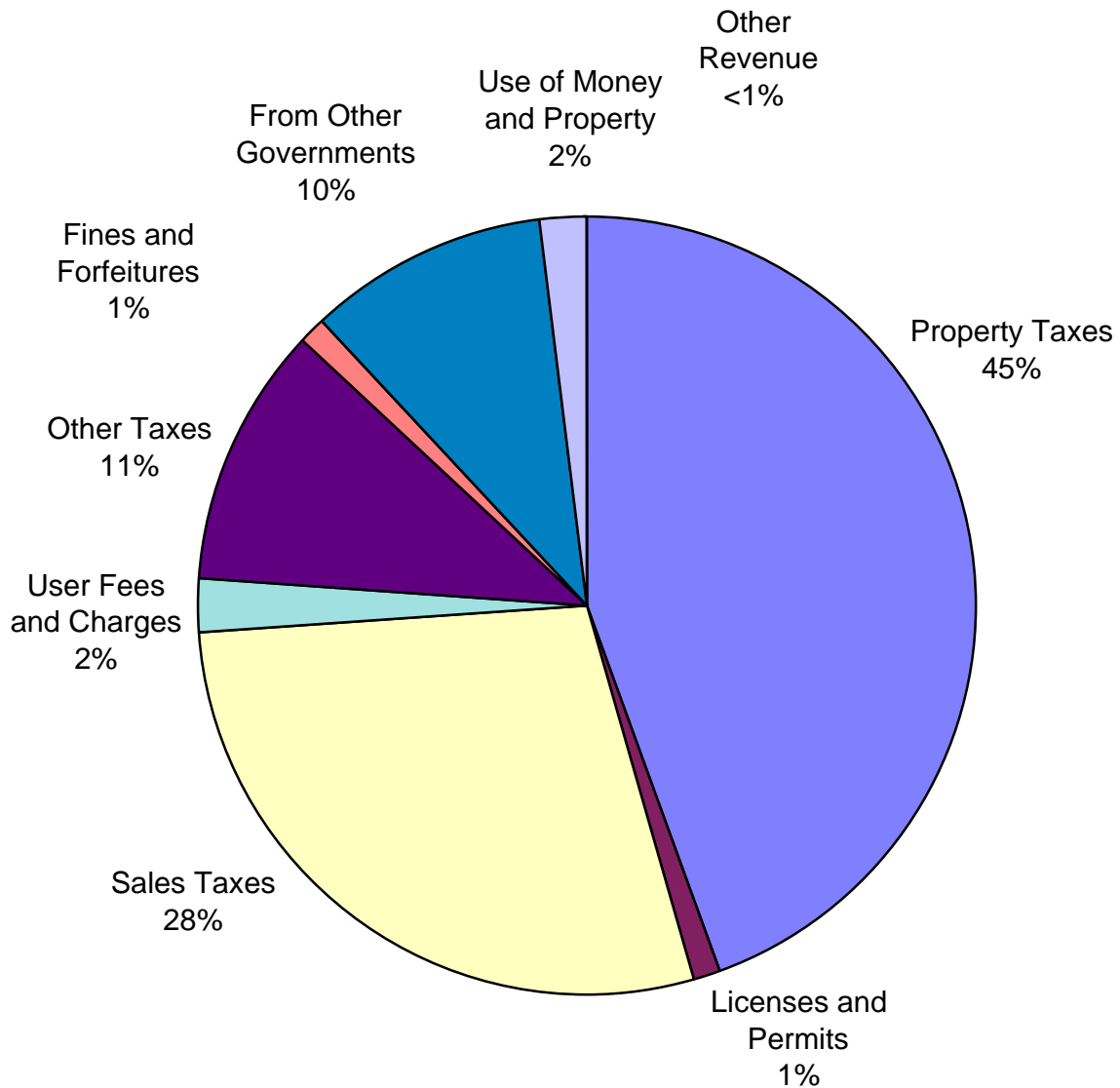
<sup>1</sup>These carryover appropriations were approved by the City Council on November 17, 2009.

# SUMMARY OF REVENUES - ALL FUNDS

Description	Actual 2008-09	Adopted Budget 2009-10	Estimate 2009-10	Proposed Budget 2010-11
Property Taxes	\$18,285,378	\$17,966,900	\$18,264,200	\$17,247,100
Sales Tax	12,482,010	12,082,000	10,600,000	10,962,000
Other Taxes	4,827,681	4,367,000	4,248,100	4,271,100
Licenses and Permits	483,310	360,000	365,000	370,000
From Other Governments	4,864,785	6,410,500	6,939,200	11,792,500
User Fees and Charges	1,035,113	651,300	1,016,200	1,128,300
Fines and Forfeitures	556,560	520,000	425,000	425,000
Use of Money and Property	2,651,924	1,849,800	1,602,300	820,300
Other Revenue	95,258	50,900	75,200	42,400
Total All Funds	45,282,019	44,258,400	43,535,200	47,058,700
Less Redevelopment Agency	(5,349,356)	(5,348,000)	(5,563,100)	(5,028,500)
Total City Funds	\$39,932,663	\$38,910,400	\$37,972,100	\$42,030,200
Less Capital Project Revenues	(\$572,228)	(\$2,914,300)	(\$3,640,400)	(\$8,316,000)
Grand Total All City Operating Funds	39,360,435	35,996,100	34,331,700	33,714,200

# SUMMARY OF REVENUES - ALL FUNDS<sup>1</sup>

**Fiscal Year 2010-11**



<sup>1</sup> Includes Redevelopment Agency activity and excludes all revenues in capital project funds.

# SUMMARY OF EXPENDITURES BY DEPARTMENT

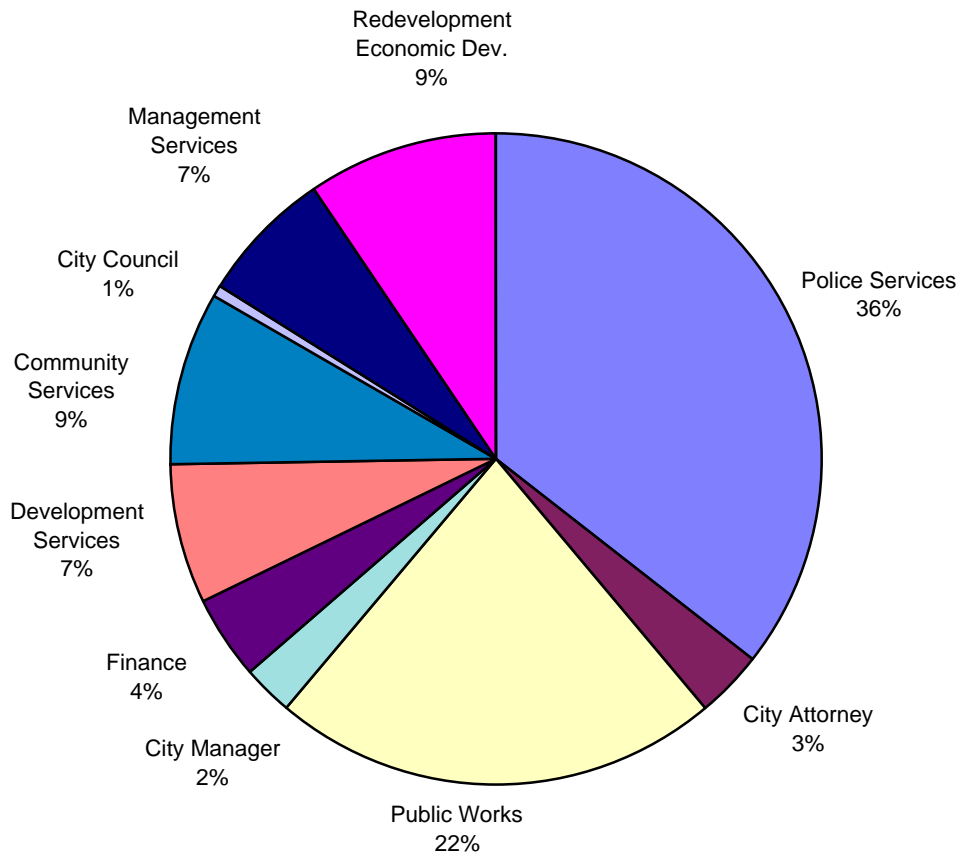
Department	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
City Council	\$217,313	\$251,600	\$247,300	\$221,500
City Manager	905,424	987,600	876,900	876,900
Redevelopment/Economic Development	2,975,252	3,579,400	3,209,500	3,458,300
City Attorney	1,526,288	887,700	1,216,900	1,216,900
Finance	1,778,500	1,771,100	1,605,600	1,605,600
Development Services	2,788,257	2,501,900	2,593,500	2,593,500
Public Works	8,856,647	8,888,700	8,288,900	8,288,900
Management Services <sup>1</sup>	2,881,776	2,700,500	2,478,800	2,478,800
Community Services	2,997,839	3,392,500	3,164,800	3,164,800
Police Services	12,833,924	13,431,200	13,169,300	13,169,300
Vehicle Replacement	37,554		136,100	
Total Operating Expenditures	37,798,774	38,392,200	36,987,600	37,074,500
Less: Redevelopment Agency Operating Expenditures	(3,808,206)	(3,192,200)	(2,989,300)	(3,238,100)
Total City Operating Expenditures	33,990,568	35,200,000	33,998,300	33,836,400
Capital Projects	6,755,157	29,143,100	29,580,400	29,580,400
Less: Redevelopment Agency Capital Projects	(63,805)	(900,000)		
Total City Capital Projects	6,691,352	28,243,100	29,580,400	29,580,400
Grand Total All City Funds	<u>\$40,681,920</u>	<u>\$63,443,100</u>	<u>\$63,578,700</u>	<u>\$63,416,800</u>

<sup>1</sup> The City Clerk's Department became a division of Management Services in Fiscal Year 2009-10, thus City Clerk activity is reflected retroactively in the Management Services Department.



# SUMMARY OF EXPENDITURES BY DEPARTMENT<sup>1</sup>

## Fiscal Year 2010-2011



<sup>1</sup> Includes Redevelopment Agency activity and excludes capital improvement projects

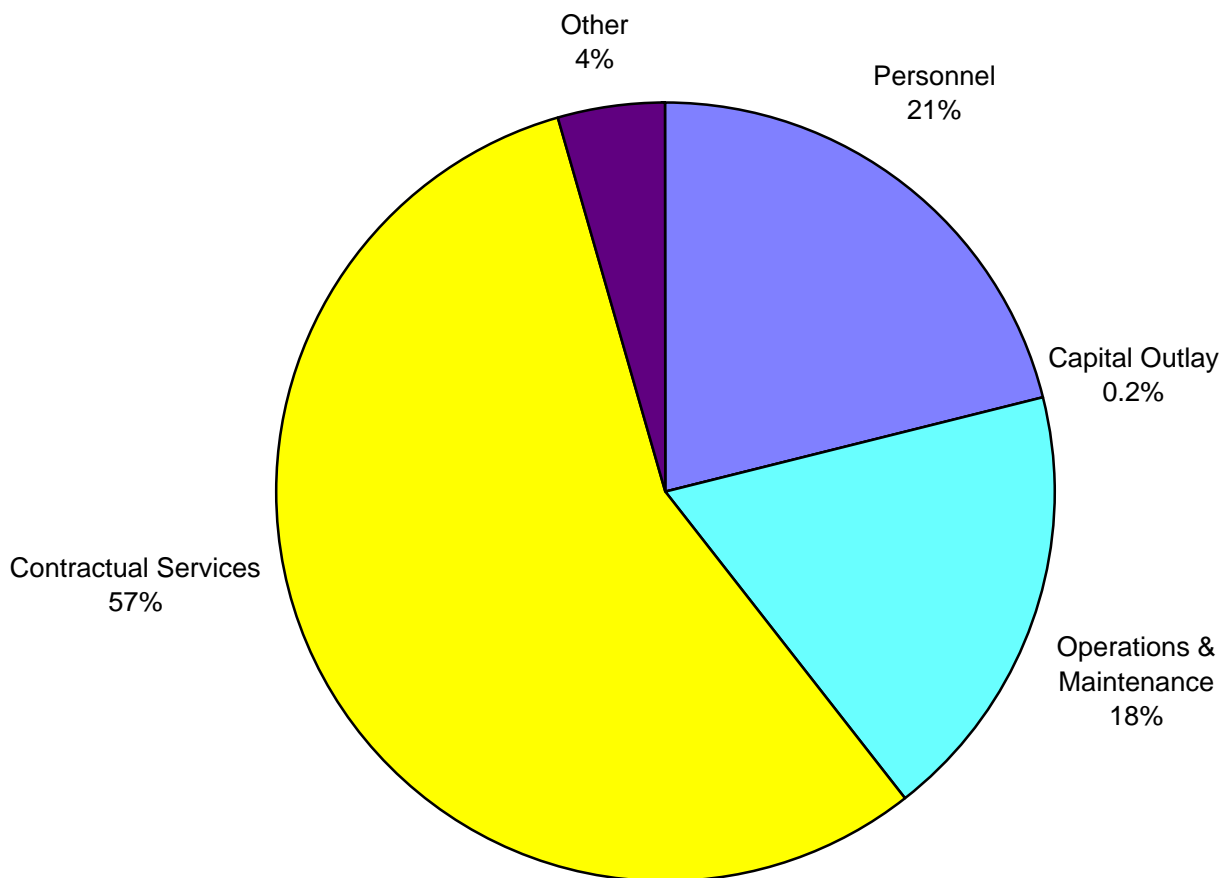
## SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY<sup>1</sup>

Department	Personnel	Operations & Maintenance	Contract Services	Other	Capital Outlay	Totals
City Council	\$49,500	\$171,000	\$1,000			\$221,500
City Manager	717,200	129,700	30,000			876,900
Redevelopment/ Economic Development	691,600	171,200	949,800	1,645,700		3,458,300
City Attorney		9,900	1,207,000			1,216,900
Finance	641,600	824,200	139,800			1,605,600
Development Services	1,489,400	433,700	670,400			2,593,500
Public Works	1,543,700	1,979,700	4,765,500			8,288,900
Management Services	1,055,300	996,300	358,700		68,500	2,478,800
Community Services	1,477,600	1,648,200	39,000			3,164,800
Police Services	133,200	442,000	12,594,100			13,169,300
<b>TOTALS</b>	<b>\$7,799,100</b>	<b>\$6,805,900</b>	<b>\$20,755,300</b>	<b>\$1,645,700</b>	<b>\$68,500</b>	<b>\$37,074,500</b>

<sup>1</sup> Includes Redevelopment Agency operating costs of \$2,989,000 for Fiscal Year 2010-11.

# **SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY<sup>1</sup>**

## **Fiscal Year 2010-2011**



<sup>1</sup> Includes Redevelopment Agency activity

<p align="center"><b>CAPITAL EXPENDITURES</b></p> <p align="center"><b>BUDGET DETAIL</b></p>
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<b>Project</b>	<b>Actual 2008-09</b>	<b>Adopted Budget 2009-10</b>	<b>Proposed 2010-11</b>	<b>Adopted Budget 2010-11</b>
Street Resurfacing and Slurry Seal	\$2,156,069	\$1,963,700	\$900,000	\$900,000
Muirlands Boulevard Resurfacing <sup>1</sup>	166,305			
Trabuco at Lake Forest Drive Resurfacing <sup>2</sup>		749,300		
Proposition 1B Asphalt Rehabilitation	1,155,210			
Alton Parkway Improvements		1,050,000	6,400,000	6,400,000
Trabuco Road Streetscape	75,282			
Vintage Woods Traffic Signal Installation of Street Lights at Various Locations	193,278			
	22,150			
El Toro Road Enhanced Landscape Lighting	2,578			
Railroad Access Road Landscaping	36,096			
Lake Forest Transportation Mitigation Improvements <sup>3</sup>	55,156	2,291,100		
El Toro Road Traffic and Landscape Improvements	(29,632)			
El Toro Road/Swartz Landscape Median and Monument	6,624			
Lake Forest Drive Drainage Improvements	225,004			
Sidewalk Repairs	51,385	40,000	40,000	40,000
Commercentre Drive Improvements		385,000		
Rancho Parkway Improvements		317,000	2,056,000	2,056,000
Skate Park Renovation	7,187			
Play Equipment Replacement	764,749			
Neighborhood Traffic Improvements:				
Rue de Fortuna Traffic Signal at Bake	20,339			
Trabuco Road at Lake Forest	1,977			

<p align="center"><b>CAPITAL EXPENDITURES</b>  <b>BUDGET DETAIL (continued)</b></p>
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<b>Expense Classification</b>	<b>Actual 2008-09</b>	<b>Adopted Budget 2009-10</b>	<b>Proposed 2010-11</b>	<b>Adopted Budget 2010-11</b>
Light Industrial Area Street Improvements	63,805			
Traffic Management Center Project Study Report	30,010			
Traffic Signal Synchronization		314,000	716,000	716,000
Americans with Disabilities Access Ramp Improvements <sup>4</sup>	304,851	133,000	329,400	329,400
Jeronimo Road Streetscape Project	154,591	900,000		
El Toro Road Streetscape Project - Phase	60,121	1,277,000		
Rockfield Streetscape	53,579	135,000		
Traffic Signal Preemption	46,109			
Borrego Park Renovation	30,109			
Heroes Park Snack Bar and Restroom	29,155			
Serrano Creek Playground Equipment	19,785			
Universally Accessible Playground	485,361			
Meeting Facility	27,306			
Civic Center	93,178			
Sports Park	328,835	18,582,000	18,567,300	18,567,300
Recreation Center	118,605	1,006,000	571,700	571,700
Activity Total	<u>\$6,755,157</u>	<u>\$29,143,100</u>	<u>\$29,580,400</u>	<u>\$29,580,400</u>
Funding Sources:				
General Fund	\$858,866	\$190,700		
Capital Improvement Projects Fund	1,997,322	4,267,300	\$9,212,000	\$9,212,000
Gas Tax Fund	1,594,572			
Measure M Fund	1,024,146	1,773,000	900,000	900,000
Community Development Block Grant Fund	593,366	133,000	329,400	329,400
Redevelopment Agency Operating Fund	63,805	900,000		

<p align="center"><b>CAPITAL EXPENDITURES</b>  <b>BUDGET DETAIL (continued)</b></p>
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<b>Expense Classification</b>	<b>Actual 2008-09</b>	<b>Adopted Budget 2009-10</b>	<b>Proposed 2010-11</b>	<b>Adopted Budget 2010-11</b>
Funding Sources (continued):				
Opportunities Study Capital Projects Fund	567,924	19,588,000	19,139,000	19,139,000
Lake Forest Transportation Mitigation Fund <sup>3</sup>	55,156	2,291,100		

<sup>1</sup> This project was part of the street resurfacing and slurry seal program that was partially funded by an Arterial Highway Rehabilitation Program grant.

<sup>2</sup> Funded by an American Recovery and Reinvestment Act federal grant.

<sup>3</sup> The \$4,874,900 budgeted in the 2009-2011 Capital Improvement Projects Budget was deferred in Fiscal Year 2010-11.

<sup>4</sup> This Fiscal Year 2010-11 project was not appropriated in the 2009-11 Capital Improvement Projects Budget. This project is included in the Community Development Block Grant Draft 2010-11 Action Plan and a resolution was presented to the City Council in June to formally appropriate the project.

## COMMUNITY HISTORY

Lake Forest incorporated as a new city, under the general laws of the State of California, on December 20, 1991. The City is Orange County's 31<sup>st</sup> city and the second largest in the Saddleback Valley.

When Don José Serrano settled the area, which was originally called Rancho Cañada De Los Alisos (the Valley of the Sycamores), through a Mexican Land Grant in 1846, he may have envisioned the area as it is today -- an area rich in family values with a hometown feel. For more than a century, the land was known as El Toro, after the bulls that roamed Don José Serrano's ranch. The land remained with Don José and his family until financial problems forced him to turn the land over to private interests. The legacy of the Serrano family lives on in Lake Forest through the Serrano Adobe - a part of the family's original ranch - located in Heritage Hill Historical Park.

In the early 1900s, Dwight Whiting, a resident of the area, planted 400 acres of fast-growing eucalyptus trees as an answer to the California lumber shortage. Although the trees failed as a source of lumber, in the 1960s, master developer Occidental Petroleum decided to create a master-planned community around the trees and man-made lakes. The eucalyptus provided landscaping for the modern homes and led to the "Forest" in Lake Forest.

Although Lake Forest has been an official city in Orange County since 1991, its history began long before then. Beginning as an agricultural area like most of the Orange County region, Lake Forest began to grow rapidly following World War II. Residential, commercial and industrial development began to replace the acres of citrus and other agricultural products. A significant reason for the change was the growing importance of the El Toro Marine Base. The growth of the Base increased the need for new homes and people support services. Over time, the Lake Forest area was built into the City we know today.

Efforts toward incorporation began in August 1989 when a group of citizens formed the Community Coalition for Incorporation. Hoping to gain control of the issues affecting the Lake Forest area, the group worked toward gaining cityhood for Lake Forest. The group was successful in putting the Measure on the ballot and cityhood was approved on March 5, 1991, along with the City's first City Council. On December 21, 1991, Lake Forest became the 31st City to incorporate in the County of Orange.

The City has grown in size from its original incorporated boundaries as a result of several annexations and is now 16.6 square miles.

The City of Lake Forest has balanced growth with an emphasis on quality of life. It provides a rich tapestry of activities for the young and old. The City features 19 public parks, which provide active recreational opportunities to area residents. The 1,500-acre Whiting Ranch Wilderness Park (County operated) is in the northern part of the City and contains a vast amount of open space for hiking and equestrian activities.

The official City flower -- Purple Statice (Limonium); City bird -- hummingbird; and City song -- "Beautiful City" by Steven Swartz clearly acknowledge that Lake Forest is a beautiful city where "Remember the Past -- Challenge the Future" is more than just a slogan as we embrace the opportunities of today and tomorrow.



## DEMOGRAPHIC FACTS AND FIGURES

### Demographic Breakdown<sup>1</sup>

Population	78,720
City Size	16.6 square miles
Housing Units	26,385
Ethnic Composition	
White	49.28%
Hispanic	22.53%
Asian/Pacific Islanders	11.78%
Black	1.96%
Other	14.45%
Median Age	36.9
Median Income	\$95,107

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<sup>1</sup> Sources: Population and Housing Units: Department of Finance (May 2010)  
Ethnic Composition, Median Age and Income: Nielsen Claritas  
(May 2010)

## **GLOSSARY OF BUDGET TERMS**

**Amendment** An amendment is a change in the budget which occurs after its initial adoption. Such a change will consist of an increase or decrease in revenue which is recognized or in the level of authorized expenditures. Some amendments may be implemented by City staff, but most require formal action by the City Council.

**Appropriation** An authorization by the City Council to generate expenditures and to incur obligations for a specific purpose within a specific time frame.

**Assessed Valuation** A dollar value placed on real estate or other property (by Orange County) as a basis for levying property taxes.

**Audit** A review of the City's accounts by internal audit staff or an independent auditing firm to substantiate fiscal year end funds, salaries, reserves and cash on hand.

**Beginning/Ending (Unappropriated) Fund Balance** Unbudgeted resources available in a fund from the prior/current fiscal year after payment of the prior/current fiscal year's expenditures/expenses. This is not necessarily cash on hand.

**Bond** A City may raise capital by issuing a written promise to pay a specific sum of money, called the face value or principal amount, at a specific date or dates in the future, together with periodic interest at a special rate.

**Budget** A fiscal plan of financial operation listing an estimate of proposed applications or expenditures/expenses and the proposed means of financing them for a particular time period. The budget is proposed until it has been approved by the City Council.

**Capital Improvement** A permanent addition to the City's assets, including the design, construction or purchase of land, buildings or facilities, or major renovations of same.

**Capital Improvements Program** A financial plan of proposed capital improvement projects with single- and multiple-year capital expenditures/expenses.

**Capital Outlay** A budget appropriation category which budgets all equipment having a unit cost of more than a pre-approved amount and an estimated useful life over a pre-approved period.

Capital Improvement Project Funds These funds are used to account for moneys received to fund capital outlays by operation departments and general bonded debt services.

City Manager's Budget Message A general discussion of the proposed/approved budget. The letter contains an explanation of principal budget items and summaries.

Debt Service Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes or Certificates of Participation (COPs).

Debt Service Funds This fund type is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deficit An excess of expenditures or expenses over revenues (resources).

Department An organizational unit comprised of divisions or programs. It is the basic unit of service responsibility encompassing a broad mandate of related activities.

Division A sub-section (or activity) within a department which furthers the objectives of the City Council by providing specific services.

Encumbrances A legal obligation to pay funds, the expenditure/expense of which has not yet occurred (purchase orders). They cease to be encumbrances when the obligations are paid or otherwise terminated.

Expenditure The actual spending of governmental funds set aside by appropriation.

Fee A fee is a charge imposed by the City on the beneficiary of a service it provides. Its purpose is to help recover some or all of the cost incurred by the City in providing a service. By law, a fee may not exceed the cost of providing a service.

Fiscal Year A twelve-month period of time to which a budget applies. In the City of Lake Forest, the fiscal year is July 1 through June 30.

Full-Time Position A full-time position is one in which an employee is budgeted to work 40 hours per week or 2,080 hours each year. All full-time positions receive benefits such as holidays, vacations, sick pay, retirement, health insurance, etc.

Fund An independent fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created.

Fund Balance The amount of financial resources in a fund. Generally, this represents the detail of the accumulation of annual operating surpluses and deficits since inception.

General Fund The primary fund of the City used to account for all revenues and expenditures of the City not legally restricted as to use. This fund is used to offset the cost of the City's general obligations. Examples of departments financed by the General Fund include City Council, Police Services, and Public Works.

Grant Contributions, gifts of cash or other assets from another governmental entity to be expended for specific purpose, activity or facility. An example is the Community Development Block Grant (CDBG) provided by the Federal government.

Interfund Transfer Money transferred from one fund to another. Such money is transferred to finance the operations of another fund or to reimburse the fund for certain costs.

Line-Item A line-item is the detailed grouping of expenditures used in the City's accounting system. It is subordinate to expense category. Typical line items are: professional services, office supplies, travel, postage, office equipment, etc.

Municipal Code A book which contains the City Council-approved ordinances currently in effect. The Code defines City policy with respect to areas such as planning, etc.

Ordinance A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law. An ordinance has a higher legal standing than a resolution.

Part-Time Position A part-time position is one in which an employee is budgeted to work less than 36 hours per week or for less than six months during the year. Part-time employees do not receive benefits such as holidays, vacations, sick pay, retirement, health insurance, etc.

Project Area A redevelopment project area is an area of the City which has been established by the adoption of a Redevelopment Plan and within which the Redevelopment Agency is authorized to use special powers granted by State law.

Reclassification The City maintains a classification system for all positions which establishes job titles, general duties/responsibilities and compensation. Occasionally, employees are found to be working tasks or functions which fall outside their existing classification. When this occurs, a study is conducted by the Human Resources Manager and a recommendation is made for the proper classification.

Redevelopment This term refers to activities undertaken to renovate blighted areas within the City and to provide housing to low and moderate income persons. Blight consists of a variety of conditions which constitute a serious physical, social and economic burden on the community which cannot be corrected by private enterprise acting alone. Redevelopment activities may include, but are not limited to, the acquisition and conveyance of property, site clearance and the provision of streets, utilities, parks and other public improvements.

Reimbursement Payment of amount remitted on behalf of another party, department or fund.

Reserve An account used to record a portion of the fund balance as legally segregated for a specific use.

Resolution A special order of the City Council which has lower legal standing than an ordinance.

Revenue Bonds A type of bond usually issued to construct facilities. The bonds are repaid from the revenues produced by the operation of facilities.

Salaries and Benefits A budget category which generally accounts for full-time and temporary employees, overtime expenses and all employee benefits, such as medical insurance and retirement.

Special Revenue Fund This fund collects revenue which is restricted by the City, State, or Federal government as to how the City might spend it.

Tax A tax is a levy imposed by a local government in conformance with the Government Code to raise revenue for public purposes. There are two types of taxes: general taxes imposed for general governmental purposes, and special taxes imposed for specific purposes.